

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1186

Introduced by Assembly Member Strickland

February 21, 2003

An act to amend Section 19984 of the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

AB 1186, as amended, Strickland. Gambling Control Act: proposition player services.

The Gambling Control Act provides for the licensure and regulation of ~~various legalized gambling activities and establishments~~ *proposition player services* by the California Gambling Control Commission.

This bill would ~~declare the intent of the Legislature to develop standards with regards to proposition player services~~ *require the California Gambling Control Commission to deny this licensure to any applicant thereof who is convicted of a specified crime.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~—yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature to develop~~
2 ~~standards with regards to proposition player services.~~

3 *SECTION 1. Section 19984 of the Business and Professions*
4 *Code is amended to read:*

1 19984. Notwithstanding any other provision of law, a licensed
2 gambling establishment may contract with a third party for the
3 purpose of providing proposition player services, subject to the
4 following conditions:

5 (a) Any agreement, contract, or arrangement between a
6 gambling establishment and a third-party provider of proposition
7 player services shall be approved in advance by the division, and
8 ~~in no event shall~~ a gambling establishment or the house *may not*
9 have any interest, whether direct or indirect, in funds wagered,
10 lost, or won.

11 (b) (1) The commission shall establish reasonable criteria for,
12 and require the licensure and registration of, any person or entity
13 that provides proposition player services to gambling
14 establishments pursuant to this section, including owners,
15 supervisors, and players. Those employed by a third-party
16 provider of proposition player services, including owners,
17 supervisors, observers, and players, shall wear a badge which
18 clearly identifies them as proposition players whenever they are
19 present within a gambling establishment. The commission may
20 impose licensing requirements, disclosures, approvals,
21 conditions, or limitations as it deems necessary to protect the
22 integrity of controlled gambling in this state, and may assess and
23 collect reasonable fees and deposits as necessary to defray the costs
24 of providing this regulation and oversight.

25 (2) *The commission shall disqualify and deny licensure to any*
26 *applicant described in paragraph (1) for any of the following*
27 *reasons:*

28 (A) *Conviction of any felony, including, but not limited to, a*
29 *conviction by a federal court or a court in another state for a crime*
30 *that would constitute a felony if committed in California.*

31 (B) *Conviction of any misdemeanor involving moral turpitude,*
32 *including, but not limited to, a conviction by a federal court or a*
33 *court in another state for a crime that would constitute a*
34 *misdemeanor involving moral turpitude if committed in*
35 *California.*

36 (c) The division, pursuant to regulations of the commission, is
37 empowered to perform background checks, financial audits, and
38 other investigatory services as needed to assist the commission in
39 regulating third party providers of proposition player services, and
40 may assess and collect reasonable fees and deposits as necessary

1 to defray the costs of providing this regulation and oversight. The
2 division may adopt emergency regulations in order to implement
3 this subdivision.

4 (d) ~~No~~ *An* agreement or contract between a licensed gambling
5 establishment and a third party concerning the provision of
6 proposition player services ~~shall~~ *may not* be invalidated or
7 prohibited by the division pursuant to this section until the
8 commission establishes criteria for, and makes determinations
9 regarding the licensure or registration of, the provision of these
10 services pursuant to subdivision (b).

